



House of Representatives

File No. 627

General Assembly

January Session, 2017

(Reprint of File No. 168)

Substitute House Bill No. 5730
As Amended by House Amendment
Schedule "A"

Approved by the Legislative Commissioner
April 17, 2017

AN ACT CONCERNING CERTAIN ALCOHOLIC BEVERAGE MACHINES.

Be it enacted by the Senate and House of Representatives in General
Assembly convened:

1 Section 1. (NEW) (*Effective from passage*) (a) A permittee authorized
2 pursuant to title 30 of the general statutes to sell alcoholic liquor for
3 on-premises consumption may use an automated machine that, upon
4 activation of a payment card by the permittee, may be operated to
5 dispense beer and wine to the following: (1) An employee of the
6 permittee who is authorized by law to serve alcoholic beverages, or (2)
7 a person whom the permittee has verified to be twenty-one years of
8 age or older who displays a government-issued identification card that
9 matches the name on the payment card. Such verification that a person
10 is twenty-one years of age or older shall be recorded by the permittee
11 or an employee of the permittee.

12 (b) An automated machine authorized by subsection (a) of this
13 section shall not dispense a serving of more than thirty-two ounces of
14 beer or ten ounces of wine before the payment card is reactivated by

15 the permittee or an employee of the permittee.

16 (c) Not later than October 1, 2017, the Department of Consumer
17 Protection shall, pursuant to section 30-6a of the general statutes,
18 amend the regulations of Connecticut state agencies, in accordance
19 with the provisions of chapter 54 of the general statutes, to: (1) Allow
20 for the use of automated machines by permittees and employees of
21 permittees for the dispensing of beer and wine pursuant to subsections
22 (a) and (b) of this section, (2) ensure that such beer and wine is not
23 initially dispensed from any such automated machine in a serving of
24 more than one drink to any one person for his or her own consumption
25 at any one time, and (3) ensure that second and subsequent servings of
26 beer and wine from any such automated machine is allowed only after
27 the first serving has been substantially disposed of or consumed by
28 such person.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 18 \$	FY 19 \$
Department of Revenue Services	GF - Potential Revenue Gain	75,000	75,000

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill allows alcoholic liquor permittees who are authorized to serve alcohol for on-premises consumption to use an automated machine to serve beer and wine. It also requires the Department of Consumer Protection to adopt implementing regulations.

This bill results in a potential revenue gain in sales and alcoholic beverages taxes to the extent that (1) one or more permittees install automated machines¹ and (2) there is an increase in alcohol consumption rather than a shift from currently allowed transactions for alcohol.

For illustrative purposes, if there is a 0.1% increase in alcohol consumption due to the availability of automated machines, there would be a revenue increase of \$75,000 annually in sales and alcoholic beverages taxes.

House "A" results in no fiscal impact as the Department of Consumer Protection already enforces liquor laws and regulations in establishments contained within the amendment.

¹ Such machines range between \$5,000 and \$25,000 depending on the size and type.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sHB-5730 (as amended by House "A")******AN ACT CONCERNING CERTAIN ALCOHOLIC BEVERAGE MACHINES.*****SUMMARY**

This bill allows alcoholic liquor permittees authorized to serve alcohol for on-premises consumption to use an automated machine to serve beer and wine.

Under the bill, the automated machine, upon the permittee's activation of a payment card, may be operated to dispense beer and wine to (1) a permittee's employee who is authorized to serve alcohol or (2) a person the permittee has verified to be age 21 or older who displays a government-issued identification card that matches the name on the payment card. (Presumably, when the person purchases a payment card, the permittee will put the person's name on the card.) The permittee or employee must record the verification that the person is over age 21.

Under the bill, automated machines cannot dispense a serving of more than 32 ounces of beer or 10 ounces of wine before the permittee or employee must reactivate the payment card.

By October 1, 2017, the bill requires the Department of Consumer Protection (DCP) through its regulations to (1) allow permittees and their employees to use automated machines to dispense beer and wine pursuant to the bill, (2) ensure that beer and wine are not initially dispensed from a machine in a serving of more than one drink per person at a time, and (3) ensure that a person is only allowed subsequent servings of beer and wine from a machine after he or she has substantially disposed or consumed the first serving.

*House Amendment "A" adds the DCP regulation provision.

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

General Law Committee

Joint Favorable

Yea 15 Nay 2 (03/07/2017)